



**STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS**

1. TO: Chief Procurement Officer
2. FROM: DAGS/Information and Communication Services Division

Department/Division/Agency

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:

Upgrade an existing 2032-064 McData ED-6064 FC Director with 4 additional 6210 2GB Fiber 4-port Modules w/4-SW.

4. Name of Vendor: Sirius Enterprise Systems Group Address: 7 Inverness Drive East Englewood, CO 80112	5. Price: \$29,120
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6. Term of Contract: From: One Time Charge To:	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:

The McData Switch was acquired through contract RFP-03-067-O as part of the ICSD mainframe lease. It is an essential component that connects the mainframe computer to its disk drives. Since the equipment is leased from the contractor, Sirius Enterprise Systems Group, it would be impractical to procure replacement equipment with a list price of about \$260,000 plus the buyout of the remainder of the current equipment's lease.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

ICSD will review its requirements and obtain a percentage discount comparable to that obtained from RFP 03-067-O. This will be followed by an assessment of alternatives available to ICSD and the review and approval of the ICSD Administrator and Assistant Administrator. Subsequent approval by the State Comptroller will also be obtained as part of the final approval process.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

The ICSD internal controls for approval include the following:

Completion of a requisition form that itemizes all costs associated with the procurement. Subsequently, a departmental comments and review form is completed that is reviewed and approved by the ICSD FTP replacement committee, Assistant Administrator, Administrator, and DAGS Comptroller.

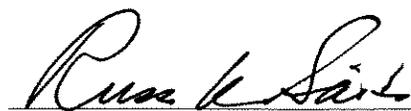
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Lester Nakamura	Administrator	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Richard Shimomura	Assistant Administrator	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Wayne Sasaki	Branch Chief	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Christie Ferreira	Management Analyst	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Accounting and General Service Contact Name: Wayne Sasaki Phone Number: 586-1940 x343 Fax Number: 586-2337
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*



Department Head

8/21/06

Date

Reserved for SPO Use Only

15. Date Notice Posted 8/28/06

The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:

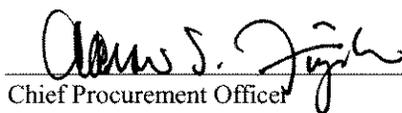
Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:

This approval is based on the ICSD's determination that the purchase of the upgraded switch from the current contractor is in the best interest of the State. Also, the approval is for the solicitation process only, section 103D-310(c), HRS, and section 3-122-112, HAR, shall apply.

16.

APPROVED DISAPPROVED



Chief Procurement Officer

9/7/06

Date